BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

OCTOBER 16, 1991

IN RE: Annual Hearings for Gas Companies)
to Review Their Purchased Gas) ORDER
Adjustment and Purchasing Policies.)

This matter comes before the Public Service Commission of South Carolina (the Commission) as per Staff discussion on the subject of the continuance of annual hearings for gas companies to review their purchased gas adjustment and purchasing policies. Since 1986, this Commission has held annual or semi-annual reviews of the regulated gas companies' purchased gas adjustments and purchasing policies. [See Order No. 87-899, dated August 14, 1987, in Docket No. 87-427-G (Peoples Gas); Order No. 86-600, dated June 13, 1986, in Docket No. 86-295-G (Piedmont Gas); Order No. 87-898, dated August 14, 1987, in Docket No. 87-426-G (South Carolina Electric & Gas); Order No. 87-1122, dated October 5, 1987, in Docket No. 87-530-G (South Carolina Pipeline Corporation); and Order No. 87-900, dated August 14, 1987, in Docket No. 87-428-G (United Cities Gas Company)]. It appears to this Commission that while continued review by audit of such matters is appropriate, a hearing is not appropriate in every single case. Therefore, it is the opinion of this Commission that Staff should continue to make its annual audits and reviews of gas companies purchased gas

adjustments and purchasing policies. Staff shall report said results to the Commission, and shall make the results available to the Company involved and the Consumer Advocate upon completion. If Staff takes no exception to the audits, then the Commission will decide if a hearing is necessary on a particular company. If audits of the gas companies do reveal problems with purchased gas adjustments and/or purchasing policies, then the Commission will hold a hearing. The Staff, the Company, and the Consumer Advocate may make such motions as they shall deem fit, if appropriate.

IT IS THEREFORE ORDERED:

- 1. That Staff is to continue to make annual audits and reviews of gas companies under our jurisdiction to review the companies' purchased gas adjustments and purchasing policies.
- 2. That Staff shall report said results to the Commission and shall make the results available to the Company and the Consumer Advocate upon completion.
- 3. That if Staff takes no exceptions to the Company's purchased gas adjustments and/or purchasing policies, the Commission will decide if a hearing is necessary.
- 4. That if Staff finds problems with a Company's purchased gas adjustments and/or purchasing policies, then the Commission will hold a hearing.

5. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Majorie Mos-Fragier Chairpan

ATTEST:

Executive Director

(SEAL)